

ITR-7 Return Filing:

A Comprehensive Guide for Trusts, NGOs & Institutions

What is ITR-7?

ITR-7 is an income tax return form applicable to entities that derive income from charitable or religious activities, political funds, or educational purposes. It must be electronically filed with or without a digital signature.

✔ Who Should File ITR-7?

- ✔ Trusts & NGOs claiming exemption under Section 11 & 12
- ✔ Political parties under Section 13A
- ✔ Scientific & Research Institutions under Section 10(21)
- ✔ Educational & Medical Institutions under Section 10(23C)
- ✔ News Agencies under Section 10(22B)

✗ Who Cannot File ITR-7?

- ✗ Individuals, HUFs, partnership firms, LLPs, and companies
- ✗ Entities that do not qualify for exemptions under the above sections

Documents Required for ITR-7 Filing

- ✂ PAN Card of the Trust/Institution
- ✂ Trust Deed or Registration Certificate
- ✂ Income & Expenditure Account
- ✂ Balance Sheet & Audit Reports (if applicable)
- ✂ Donation Receipts & Grants (for NGOs)
- ✂ Form 26AS (TDS Details)
- ✂ GST Details (if applicable)
- ✂ Foreign Contribution Details (if any)

Due Date for ITR-7 Filing

- 📅 Last Date for ITR-7 Filing (Without Audit): July 31st
- 📅 With Audit Requirement: October 31st
- 🚫 Penalty for Late Filing: ₹10,000 under Section 234F (if income exceeds ₹5 lakh)

Tax Exemptions for Trusts & Institutions

Type of Organization	Exemption Section
Charitable/Religious Trusts	Section 11 & 12
Political Parties	Section 13A
Scientific Research Institutions	Section 10(21)
Educational & Medical Institutions	Section 10(23C)
News Agencies	Section 10(22B)

To claim exemptions, organizations must use income for the purpose for which they were created and comply with regulatory conditions.

Benefits of Filing ITR-7 on Time

- ✓ Maintains Compliance – Ensures organizations continue to receive tax exemptions
- ✓ Avoids Penalties & Notices – Late filing attracts scrutiny & penalties
- ✓ Helps in Fundraising – NGOs & trusts need tax compliance for donor confidence
- ✓ Facilitates Foreign Contributions – Mandatory for FCRA (Foreign Contribution Regulation Act) compliance

Common Mistakes to Avoid in ITR-7 Filing

- ✗ Wrong Selection of Exemption Section – Incorrect section can lead to rejection
- ✗ Failure to File Audit Reports – Trusts & institutions must file Form 10B or 10BB if applicable
- ✗ Non-Disclosure of Donations & Investments – Can result in tax scrutiny
- ✗ Forgetting to E-Verify – Filing is incomplete without verification

Conclusion

Filing ITR-7 is mandatory for trusts, NGOs, political parties, and institutions to report their income, claim exemptions, and stay compliant with tax laws. By filing before the due date, maintaining accurate financial records, and submitting audit reports, organizations can avoid penalties and ensure continued tax benefits.

Need Help with ITR-7 Filing?

Our tax experts provide **professional assistance for accurate ITR-7 filing, compliance with exemption rules, and tax audits. Contact us today for hassle-free tax filing!** 